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of the value it might possess. Beyond the bare knowledge that the Miner's Bank was a bank of the usual type with but very few deposits, a relatively large volume of notes and, often, little specie, hardly anything can be said of its nature or influence.

The style of the monograph is bad in many places and is always clumsy. One or two examples will suffice. On page 17, Mr. Merritt remarks: "This newspaper war was followed up by flooding the legislature with affidavits and statements both for and against the financial condition of the bank." And again (p. 57) "Kirkpatrick of Jackson followed with a written speech filled to repletion with party politics, and blows at the democracy of those that were supporting the bank at this time."

Despite its faulty conception and execution, the monograph seems to be painstaking and accurate.

H. PARKER WILLIS.

Clearing Houses: Their History, Methods, and Administration. By JAMES G. CANNON. New York: D. Appleton & Co., 1900. 8vo, pp. xiv + 383.

MR. CANNON, who has a high reputation in the banking community, has rendered a service to students of finance by bringing together an account of the leading American clearing houses. There is no other work covering precisely this field, and the publication is likely to be useful to practical financiers by enabling them to adopt in each city where a clearing house is in operation or may be formed the best of the methods already in use. Mr. Cannon has gone to the original sources for information regarding the clearing houses of the United States, and presents many interesting facts regarding their management. The foundations of the clearing system, the manner in which it is carried on, different methods of dealing with checks, different methods of paying balances, and the issue of clearing-house loan certificates on occasions when they were needed, are all set forth with the touch of a practical financier.

The diversity in methods of settling clearing-house balances between the banks is one of the interesting subjects which Mr. Cannon discusses. There are no less than five methods of settlement which he sets forth, and still greater variety is introduced by the combination of two or more methods at different clearing houses. The five methods which

Mr. Cannon treats as distinctive are settlement (1) by manager's check on debtor banks given to creditor banks; (2) by borrowing and loaning balances without interest; (3) by borrowing and loaning balances with interest; (4) by the use of one or more of three forms of certificates—namely, gold depository certificates, United States assistant treasurer's certificates, and clearing-house loan certificates; and (5) by draft on another city. As Mr. Cannon points out, many of the documents transferred in these methods of settlement are themselves cleared, so that the transfer of cash is reduced to a minimum so long as balances tend upon the average to offset each other. Mr. Cannon finds that about 17 per cent. of the clearing houses of the United States settle their balances entirely on a cash basis. In Canada all the clearing houses except at Hamilton settle in government legal-tender notes.

An account is given of the Canadian clearing houses, and it is pointed out that the function of the clearing house there is much more restricted than in the United States, because the clearing houses have not been called upon to aid the banks in times of pressure. The reason is thus explained:

It has been left to the Canadian Bankers' Association to do whatever is possible in securing proper legislation for the banks. The necessity for the issue of clearing-house loan certificates in the United States, as shown in another chapter, has been due, in the main, to the lack of elasticity in our currency, and since the bank-note issue in Canada obviates this weakness there has been no occasion for the issue of such certificates.

In discussing possible developments of the clearing-house system, it is suggested that the clearing houses are gradually becoming a welding force that will ultimately bring to the banking business of the country the centralization which it so greatly needs. As rates for money decline, under the pressure of world-wide competition, the author maintains that losses from bad debts must be brought to a minimum and a central agency employed for distributing information regarding commercial paper. It is suggested that the clearing houses might employ special examiners to satisfy themselves of the soundness of banks claiming admission to the clearing circle. Several measures of currency reform, which would diminish needless exchanges at sub-treasuries and economize banking operations, might also be carried out if proper provision were made for clearing-house vaults.

Mr. Cannon gives an account of the London and Japanese clearing

houses, but does not discuss the Scotch system nor the systems of continental Europe. It might have been well to point out, without going into an elaborate history of continental clearings, that the large central banks of France, Germany, Belgium, and some other countries do a larger business which is practically of a clearing character than some of the clearing houses, which are of comparatively recent creation. The Bank of France, for instance, in so far as it carries the accounts of the business community, settles upon its own books a great mass of transactions between tradesmen all over France.

Mr. Cannon's book is well printed and is illustrated with numerous plates of checks, certificates, statements, and banking memoranda, which supplement and make clear the discussions in the text.

C. A. CONANT.

The Postal Deficit. By H. T. NEWCOMB. Washington: Wm. Ballantyne & Sons, 1900. 12mo, pp. 158.

MUCH of the valuable matter contained in the testimony recently submitted to Congress by the Joint Congressional Commission on Postal Affairs is compressed into this little volume. The commission during the three years of its very active existence obtained a vast amount of information concerning the recurring deficits of the Post-Office Department. As would be expected the wheat gathered was mixed with a great deal of chaff. To all but patient students with ample time the valuable matter collected might be lost but for the diligent winnowing of Professor Newcomb.

As might be inferred from what has been said no new light has here been shed upon the subjects investigated by the commission. It is fair to add that this is acknowledged by the author. In referring to his chief source of information, he says, "The commission has collected and published an exceedingly valuable mass of testimony. This testimony and the data collected by the agents especially employed to investigate different phases of the question submitted to the commission contain material for a most accurate and complete description of postal activities and methods. This information has been liberally drawn upon in the preparation of the present work" (pp. 91-92).

That Mr. Newcomb has not cited more fully and definitely is cause for regret. A work of compilation loses much of its value through omissions of this character. As there are no page references to the